

INFORMATIONAL HEARING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)	
)	
Application for Certification)	Docket No.
For the Blythe Solar Power)	09-AFC-6
Project)	
and)	
Application for Certification)	Docket No.
For the Palen Solar Power)	09-AFC-7
Project)	
_____)	

BLYTHE CITY HALL COUNCIL CHAMBERS
235 NORTH BROADWAY
BLYTHE, CALIFORNIA

MONDAY, JANUARY 25, 2010

7:53 P.M.

Reported by:
Martha L. Nelson, CERT

APPEARANCES

COMMITTEE MEMBERS

KAREN DOUGLAS, Chairman

ROBERT WEISENMILLER

HEARING ADVISORS

RAOUL RENAUD

KOURTNEY VACCARO

APPLICANT

SCOTT GALATI, GALATI & BLEK

RAY DRACKER, SOLAR MILLENIUM

ALICE HARRON, SOLAR MILLENIUM

STAFF

SUSANNAH CHURCHILL

PANAMA BARTHOLOMY

JAMES DAVIS

LISA DECARLO

ALAN SOLOMON

ALSO PRESENT

ALLISON SHAFFER, BLM

ELIZABETH KLEBANER, CURE

LIANA REILLY, WESTERN AREA POWER ADMINISTRATION

DAVE LANE

DAN ROBINSON

APPEARANCES CONTINUED

ALSO PRESENT

L.R. SANDERS

ROGER MURPHY

JIM SHIPLEY

SAM PATEL

ANGIE PATEL

JOEY DECONINCK

1 BLYTHE, CALIFORNIA, MONDAY, JANUARY 25, 2010

2 PROCEEDINGS BEGIN AT 7:53 P.M.

3 HEARING OFFICER RENAUD: We'd like to start the
4 Blythe and Palen hearings, please. Please take a seat if you
5 want to be in these hearings. Otherwise, take your
6 conversations outside if you would, please. Okay. Do you want
7 To start it off or should --

8 HEARING OFFICER VACCARO: Go ahead.

9 HEARING OFFICER RENAUD: Go ahead. Okay. Thank you,
10 ladies and gentlemen. We're -- as Commissioner Douglas the --
11 the hour is already late and it will probably get a little
12 later. But we'll go ahead and get started right now on the
13 Blythe and Palen hearings.

14 The two members of the committee appointed by the
15 commission to oversee the Blythe and Palen projects are to my
16 right, Chair Douglas and Commissioner Weisenmiller. I am Raoul
17 Renaud, the hearing advisor assigned by the Energy Commission
18 to oversee the hearing process for those two projects. To my
19 immediate right is Kourtney -- Kourtney Vaccaro who is the
20 hearing advisor assigned to the Rice project. And as you know,
21 we're doing all three of the cases today. To my left is
22 Susannah Churchill who is advisor to Commissioner Weisenmiller.
23 And shortly up here will be Panama Bartholomy who is advisor to
24 Commissioner Douglas.

25 Now we keep saying Blythe-Palen, Blythe-Palen, but

1 let's remember, these are two separate projects. They do
2 happen to have the same applicant, which is Solar Millennium.
3 But they were submitted separately as two separate applications
4 of certification, as they must be since they are on entirely
5 different sites. And we're all about choosing -- looking at
6 the impacts on sites here at the Energy Commission.

7 We're going to start out with a presentation by the
8 applicant who will tell you some information about both Blythe
9 and Palen, again bearing in mind they are on separate sites but
10 the technology they use is the same. And after that we'll go
11 to a discussion of the staff's issues identification report,
12 and then the schedule. And after all that is done we'll have
13 an opportunity for you members of the public to come up and ask
14 questions or comment. If you do want to partake in the public
15 comment period I ask that you please fill out one of these blue
16 cards, they're in the back on the table, and give that to the
17 public advisor who will make sure that it gets up here, and
18 we'll call you in order.

19 If you weren't here earlier in the day there was lot
20 of information about the general Energy Commission process and
21 the ways the public can participate in that process. Handouts
22 about that information are available in the back, and also on
23 the commission website.

24 So with that we'll start with the applicant's
25 presentation. Mr. Galati?

1 MS. GALATI: My name is Scott Galati, representing
2 Solar Millennium on the Blythe and Palen projects.

3 MS. HARRON: I'm Alice Harron, senior director of
4 development for Solar Millennium.

5 MR. DRACKER: And I'm Ray Dracker, the senior vice
6 president of Solar Millennium.

7 MS. GALATI: We are supported by the consulting team
8 of ACOM (phonetic). I see Bill Graham who is senior biologist.
9 Carl Ligner (phonetic), I don't know if he -- Carl Ligner is
10 right there. He's one of the project managers. We've got Mike
11 Flack (phonetic). Mike Flack, coming into the room. He's
12 water and -- soils and water. We have Bill Hegmeyer (phonetic)
13 who some of you have heard on the bus. He is one of the
14 project engineers and can help answer some of those questions.
15 I am -- I -- I see Elizabeth Ingram (phonetic) from Solar
16 Millennium, and Michael Kressner (phonetic) from Solar
17 Millennium. They are project managers, as well. Oh. And we
18 have Ralph Hollenbacher (phonetic). Thank you.

19 MS. HARRON: Okay. Again, my name is Alice Harron.
20 I'm the senior director of development for Solar Millennium.
21 I'm here to discuss the Blythe and Palen Solar Power projects.
22 Thank you for clarifying. We have two separate projects.
23 We're going to be talking about them together. Hopefully I can
24 keep the characteristics straight.

25 Is my presentation up there?

1 MR. SOLOMON: I don't know. That's mine.

2 MS. HARRON: Right.

3 MR. SOLOMON: Do you have --

4 MS. HARRON: I thought mine was already loaded on
5 there. Is it?

6 MR. SOLOMON: Alice?

7 MS. HARRON: Oh, thanks.

8 MR. SOLOMON: Sure.

9 MS. HARRON: Because I was going to try to figure out
10 if I was going to do that by magic. Okay. There you go.
11 Okay.

12 I'm just going to give just a short overview of the
13 company, just to give -- tell you about our experience in the
14 solar technology; a little bit about the location, layout and
15 description of both projects; again, the jobs and economic
16 benefits; how we even got to this -- this site or these sites;
17 our community outreach activities; and the environmental
18 benefits.

19 Solar Millennium is a wholly owned subsidiary of
20 Solar Trust of America. That is a joint venture of Solar
21 Millennium AG, a German company that has the solar thermal
22 technology. And Man Ferrostaal -- sorry my German is not that
23 good -- they developed and built the first parabolic trough in
24 Spain.

25 Ray, I think that's like three 50 megawatt plants?

1 MR. DRACKER: Yes.

2 MS. HARRON: So it's technology that's proven.
3 Developing -- we are developing over 20 250 megawatts of
4 projects in the Western US. We have a joint development
5 agreement with Chevron Energy Solutions who is a developer and
6 operator of geothermal plants. They have experience in
7 cogeneration. And they're the third largest in solar
8 photovoltaic.

9 Again, I think some people were already on the site
10 tour. The Palen project is located about ten miles east of
11 Desert Center. Blythe is about eight miles west of Blythe.

12 The common characteristics, we -- as I said is a
13 parabolic trough solar thermal technology, not -- not the power
14 tower. We're on BLM land. As Alan and Allison noted, we are
15 under a dual environmental permitting process. We are in
16 the -- Cal ISO interconnection process for transmission. And
17 we would like to start construction in the fourth quarter so
18 that we could reach commercial operation date by mid-2013.

19 Blythe is the larger of the two projects. It's 1,000
20 megawatt nominal. As you can see, the total right-of-way is
21 about 9,400 acres that we've reduced to 6,000. We do have some
22 water consumption. But, again, we're dry cooling, so the water
23 consumption is more for mirror washing, some makeup water and
24 some potable needs.

25 This is the general layout of Blythe. It's

1 essentially four separate units. The yellow are the solar
2 fields. The gray is the power block with the steam turbine,
3 steam generator. And the, again, air cooled condenser. No
4 water cooling.

5 The Palen project is the smaller of the two. It's
6 500 megawatts. It's -- it's transmissions go into Red Bluff.
7 And again, another dry cooling plant, dry cooling, but water
8 still needed for mirror washing and makeup water. Sorry. The
9 slides got reversed on me. The -- again, it's two units, solar
10 field surrounding the power block.

11 The construction period, again, they vary because
12 Palen is the 500 megawatt units. It's a little over three
13 years. Blythe is over five. The construction jobs, I think a
14 gentleman mentioned in here, that were important. The
15 estimated payroll, that's a per annum number. And the annual
16 capital spent in local region, again, per year.

17 This is the economic stirring operation. So we do
18 plan to be a long term citizen in these communities. You see
19 the jobs, 220 and a 130. And again, I think the commissioner
20 mentioned in a pervious meeting, sales tax revenue and what
21 that would do for the region.

22 Again, you know, developers, we take awhile to find
23 the right site. You have to have the right amount of
24 insulation, that's enough energy. You have to have fairly flat
25 ground. You want to be near a transmission. And, of course,

1 you want water. And you need enough land for the project.

2 So I just wanted to kind of show you some of the
3 different areas that we did take a look at before we settled on
4 Blythe. The Chuckwala Valley; East Lancaster -- oh, I don't
5 have a pointer, but that's up in the northwest up there;
6 Johnston Valley; and El Centro, which is down in the south. So
7 as you can see, even just for Blythe we looked at quite a
8 different number of sites in -- in the region. The same thing
9 for Palen. We looked at Palen Pass, Palo Verde Mesa, Desert
10 Center, before settling on Palen.

11 We've done some -- we've done outreach. We've gone
12 to multiple government agencies. We've met with local elected
13 officials from Indio and Coachella, as well as Blythe. We've
14 met with environmental organizations, including Defenders of
15 Wildlife and RDC and the Wilderness Society. We are working to
16 address some issues of concern that we've heard. We're working
17 with the agencies for -- to conduct additional biological
18 surveys for our transmission lines

19 We're confident that our -- both our projects have
20 enough water -- I'm sorry, have sufficient access to water
21 supply. And we are working with CEC and BLM to balance the
22 need for correct site configuration so that the plan actually
23 works and -- and -- and to avoid or minimize environmental
24 impacts.

25 Environmental benefits, I think we've heard about

1 this before. But I just want to reinforce that we are not only
2 just good citizens but good environmental stewards, as well.

3 And that's about it.

4 HEARING OFFICER RENAUD: Thank you very much. At
5 this point we'll start separating the projects a bit. We'll
6 hear from the -- the Energy Commission Project Manager, Alan
7 Solomon, about the issues identification report that's been
8 prepared by staff for the Blythe project. This is a report
9 that is required under our regulations and it provides the
10 staff to provide a glimpse of its -- of its initial impressions
11 of a project, and particularly what issues it may face in
12 getting through the licensing process.

13 MR. SOLOMON: Thank you very much. The report, the
14 issue ID report, was published on December 17th of last year,
15 and it outlined several areas where there are potential issues.
16 These include biological, cultural, soil and water,
17 transmission system engineering, visual resources, multiple
18 resource use, and cumulative effects. And let me say right now
19 that generally speaking they're -- the issues for Blythe are
20 the same issues for Palen.

21 To look at the first issue, biological, potential
22 issues are the discovery of federal and state protected
23 species. Another potential biological issue is the multi-
24 agency mitigation development. Earlier in my presentation I
25 had mentioned a number of agencies that are working together.

1 These include CEC, BLM, fish and -- the US Fish and Wildlife
2 Service, and the California Department of Fish and Game.
3 These -- these four agencies are looking at a multi-agency
4 mitigation development.

5 Other issues facing biological resources are
6 mitigate -- mitigating for potentially significant impacts, and
7 cumulative impacts, as well.

8 With regard to cultural resources, as one speaker
9 mentioned, for the Rice project there is the possibility of a
10 high frequency of desert cultural resources. Simply put, there
11 could be a lot of cultural resources found on the -- on the
12 project sites of these two projects. In addition, there is the
13 potential for unanticipated discoveries. Similar to biology,
14 there's also the issue of mitigating for the potential
15 significant impacts, and cumulative impacts, as well.

16 With regards to soil and water resources, there's the
17 issue of vegetation removal in grading the surface to near
18 level condition. One issue that I want to stress is that for
19 the solar trough to be effective the land has to be nearly
20 level, flat.

21 An additional issue related to soil and water is the
22 relocation of natural drainages and the disruption of natural
23 surface flows. A third item is the water use and effects on
24 ground water basin levels. And the fourth is cumulative
25 impacts.

1 Another area where potential issues exist are
2 transmission system engineering issues. I'm going to
3 paraphrase the first bullet. I'm first to admit that item is
4 probably awkwardly worded.

5 Basically, there is an office within the California
6 state government, the California Independent System Operator,
7 quickly referred to as California ISO, Cal ISO. They produce a
8 study report for every power plant that is proposed. Their
9 report has not been published yet. Transmission staff would
10 still need to review Cal ISO's interconnection study. One
11 aspect of the interconnection study that the transmission staff
12 need to review, and this is a CEQA requirement, is an analysis
13 of the potential downstream transmission effects.

14 Another item is -- which is a potential visual
15 resource issue, are new intrusions on the landscape. Simply
16 put, the landscape will be changed with the solar troughs. In
17 addition, a potential issue is the development of visual
18 resource management, commonly referred to as VRM
19 classification. And this is a BLM issue. BLM requires that
20 all areas, all regions have a VRM, a visual resource management
21 classification.

22 Other areas of concern are potential multiple
23 resource use limitation issues. Simply put, if the land is
24 used for solar troughs then it can no longer be used in other
25 areas. Those other areas include off highway vehicle use,

1 four-by-fours. There could be additional resource impacts, and
2 cumulative impacts, as well.

3 In most of these slides I've mentioned cumulative
4 impacts of cumulative effects, and I want to clarify what I
5 mean by that. Both NEPA and CEQA require that technical staff
6 analyze the impact of not just the one project that they are
7 analyzing and reviewing, but all proposed projects in a given
8 region to ensure that cumulatively there is not adverse effect,
9 or if there are adverse effects that they are properly and
10 appropriately mitigated.

11 Another item includes -- includes alternative issues.
12 Essentially, staff look at alternative -- alternative
13 proposals, alternative projects, including no action or no
14 project.

15 And there is one other issue that is not in this
16 handout. Staff became aware on Friday of a potential issues
17 related to air quality, specifically, emission reduction credit
18 for the South Coast AQMD. There was a lawsuit that was filed
19 against the South Coast AQMD, and the lawsuit may impact the
20 applicant getting ERC credits and a permit for their auxiliary
21 boiler.

22 And that concludes the issues. Do you want to --
23 similar to Rice, do you wish to discuss the issues, or shall I
24 continue to the proposed schedule?

25 HEARING OFFICER RENAUD: I think we'll do -- talk

1 about the issues first.

2 Commissioners, did you want to ask any questions?

3 I -- I have one, but -- no?

4 CHAIR DOUGLAS: Does the South Coast AQMD issue
5 affect both projects?

6 MR. SOLOMON: No. It's -- the Blythe project is
7 under the Mojave AQMD.

8 CHAIR DOUGLAS: Got it. Okay.

9 MR. SOLOMON: Only Palen is South Coast AQMD.

10 CHAIR DOUGLAS: Got it.

11 HEARING OFFICER RENAUD: Okay. Thanks. On -- on
12 water, my -- my read of the two issues identifications
13 report -- reports is -- is that they are similar in many
14 respects. But on groundwater usage there are some -- some
15 different characteristics. The water for Blythe is described
16 as moderate quality groundwater, and water for Palen is
17 described as high quality groundwater.

18 I just wondered if you care to comment on whether you
19 see any greater potential issues for either project over the
20 other with -- on the groundwater issue, the water usage?

21 MR. SOLOMON: With regards to Palen, they will be
22 using 300 cubic acre feet per year. Blythe will use
23 approximately 600.

24 With regards to the nature of the water, I don't see
25 a substantial difference between them.

1 MS. DECARLO: I will comment that the applicant has
2 proposed dry cooling. So in terms of that aspect of it I think
3 that does help. But, however, we still be analyzing the -- the
4 resultant use of -- of the water.

5 HEARING OFFICER RENAUD: Right. Okay. Good.

6 Would the applicant care to respond to any of the
7 issues in --

8 MS. GALATI: Yeah. First I'd like to -- I think
9 you're used to me complaining, so I'm going to try something
10 different. I would like to commend staff for working with us
11 very closely on Blythe. And we've had three workshops that
12 have been very productive, very open. I think that there has
13 been some collegiality. And I'd like to give you an example.

14 As you know, staff has to evaluate alternatives. And
15 one of the things that staff did with us was they gave us a map
16 and said we're not quite sure what to work -- look at,
17 alternatives, so we came up with what we want you to look at.
18 Is there a way you can orient the project differently to avoid
19 washes? And basically worked with us and said, no, you can not
20 do that alternative. Show us one you could do so that we can
21 carry forward for environmental analysis. And I think it's
22 that kind of collaboration that I think we ended up identifying
23 alternatives that staff could then move forward, that could
24 have taken many rounds of data requests to get to that point.

25 There are -- I think that continuing to work on it,

1 the same comments I made about performance standard -- and I
2 wanted to clarify, it is not because I don't think staff is
3 trying hard. In fact, I think they're trying very hard. This
4 is the area where I think they need to know from you, is it
5 okay if we do something less than what we're going?

6 We have responded to our data requests to the best of
7 our ability. There's been some things that we have lagged.
8 Staff has -- especially Alan, has allowed us to file piecemeal,
9 pieces as they come in, so staff can continue. So from that
10 perspective I think that we're on track.

11 On the issue with Palen, which is the South Coast Air
12 Quality Management District, I wanted -- I brought that up to
13 you on the 22nd so that you know it was an issue because Mr.
14 Nazemi couldn't be there and asked us to bring that up; and Mr.
15 Nazemi -- Mohsen, M-o-h-s-e-n N-a-z-e-mi, Nazemi, with the
16 South Coast Air Quality Management District. There has been a
17 filed lawsuit. But it has not been -- been successful yet.

18 So what we would hope is that they would issue those
19 permits and continue to move forward through the process. I
20 don't know where the status of that particular lawsuit is. I
21 learned about it fairly close myself.

22 But if you need explanation of the process, what
23 happens is the -- when a project has less than certain
24 thresholds in the South Coast it is not required to purchase on
25 the market ERCs, because the district, for all intents and

1 purposes, reaches into its bank and uses the credits it has to
2 show that there are sufficient offsets. And some districts
3 work this way, so that they can have an offset threshold above
4 which you get private offsets, and below which they internally
5 offset using their bank. That bank has been the subject of a
6 lawsuit.

7 And then a law called SBA 27, which came into
8 existence that restored it, it was sued again. There was a
9 lawsuit about that issue again. It has not concluded. They
10 have not undone that bank yet. And as we sit here today it's
11 still legal for them to do it. Mostly it was concern that --
12 that that lawsuit may be successful and could affect our
13 permit. That's -- that's the only update we have at this
14 point.

15 But as far as the biology concerns, I think we're
16 working well with staff. I think we provided them data
17 responses already. And I think that things are going well.

18 HEARING OFFICER RENAUD: Anything? No? All right.
19 Good.

20 Alan, perhaps a brief rundown on the schedule.

21 MR. SOLOMON: Up to this point the -- the Blythe and
22 Palen projects were moving along at the same pace. However, at
23 this point they will be a little bit different. The first
24 schedule that I'm going to go through is the Blythe schedule.
25 It may just be my age, but I can't read that very well. I'm

1 going to read out most of the dates to you.

2 If you take a look there are two columns with dates.
3 The first is entitled "Original Dates." Those were the dates
4 that were published on December 17th when I published the issue
5 ID report. The dates in the last column are the revised dates.
6 Essentially, the dates have been revised. I have already gone
7 over all the dates on the top third. The informational hearing
8 site visit, of course, is today.

9 The next step, as I've already indicated, staff are
10 currently writing the staff assessment draft environmental
11 impact study, draft EIS. That draft -- the staff assessment
12 will be circulated to all the agencies that I've mentioned,
13 BLM, Fish and Wildlife Service, Fish and Game, between the
14 dates of February 5th through the 26th. It would be formatted
15 between March 1st through the 10th. Then we are expecting the
16 Blythe staff assessment to be published around March 11th.

17 The staff assessment errata final EIS would be
18 published on July 30th. And the dates following the
19 publication of the staff errata final EIS would be
20 determined -- would be determined by the committee.

21 The dates for Palen, starting with the publication of
22 the staff assessment, are approximately one week after the
23 Blythe project. To touch upon the key dates, the staff
24 assessment draft EIS would be published on March 18th. The
25 staff assessment errata final EIS would be published on July

1 30th, which is the same date as Blythe. And again, the dates
2 after that would be determined by the committee.

3 And what we've done is similar, is in this particular
4 case we didn't actually mess with staff's dates. So I -- but
5 we did add committee staff's conferences. And we arbitrarily
6 chose those dates within that timeframe at areas where we were
7 making significant progress. So when the committee considers
8 staff's revised schedule they should consider adjusting the
9 status conference, the first one, to be shortly after the staff
10 assessment is published, so we have -- can show some products.

11 HEARING OFFICER RENAUD: All right. Well, we might
12 need a little clarification here, Scott.

13 MS. GALATI: Uh-huh.

14 HEARING OFFICER RENAUD: You gave us revised
15 schedules -- or proposed schedules for both projects today, or
16 at least I received copies of them in folders. And it looks to
17 me like this document reflects the staff's original schedule.
18 Now I don't know if that's --

19 MS. GALATI: Yeah.

20 HEARING OFFICER RENAUD: Any comment on that?

21 MS. GALATI: I haven't -- I have not seen the revised
22 schedule.

23 HEARING OFFICER RENAUD: All right.

24 MS. GALATI: So I used the -- the issue
25 identification report and schedule that was published --

1 HEARING OFFICER RENAUD: Okay.

2 MS. GALATI: -- in November.

3 HEARING OFFICER RENAUD: But you're -- are you saying
4 that the applicant's okay with the revised schedule?

5 MS. GALATI: I think that we -- we are okay with the
6 revised schedule.

7 HEARING OFFICER RENAUD: Subject to the addition of
8 status conferences? I'm only asking this because this -- the
9 committee has the job of eventually issuing a scheduling order,
10 and we might as well get this clarified now if we can.

11 MS. GALATI: Right. I -- I think that that -- the
12 schedule as revised that staff has put up can still get us to
13 where we need to be. And we have been working well with staff.
14 We -- we -- we think that that schedule with some committee
15 status conferences is something that we can continue to work
16 with.

17 HEARING OFFICER RENAUD: Okay. Thank you.

18 MR. SOLOMON: Excuse me. May I address the committee
19 status conference? If I may suggest, since we are trying to
20 flush this out, so to speak, and come up with some concrete
21 dates, if I may suggest, instead of the committee status
22 conference on February 22nd, if we were to hold a workshop, a
23 staff assessment workshop around the 28th? I don't have a
24 calendar in front of me, I don't know what day the 28th falls
25 on, but approximately that time.

1 HEARING OFFICER RENAUD: I don't know. Sorry. I
2 thought I -- I see one here but it's not going to help us.

3 MR. SOLOMON: No. I'm sorry. It would be -- it -- I
4 apologize. It would be -- it would be March 28th, after --
5 after the staff assessment has been published.

6 COMMISSIONER WEISENMILLER: Okay.

7 MR. BARTHOLOMY: That's a Sunday.

8 COMMISSIONER WEISENMILLER: So the 28th is a Sunday.

9 MR. SOLOMON: Okay. So then go with --

10 COMMISSIONER WEISENMILLER: So the 29th.

11 HEARING OFFICER RENAUD: 29th?

12 MR. SOLOMON: -- 29th.

13 HEARING OFFICER RENAUD: Instead of February 22nd.
14 That's good.

15 MR. SOLOMON: Instead of February 22nd, because I'm
16 not sure what would be achieved at that point. Staff are still
17 in the process of writing it. Having a workshop on the --
18 on -- on March 29th, which would be following the publication
19 approximately two weeks.

20 HEARING OFFICER RENAUD: I think what I'm hearing,
21 Alan, is -- is you're suggesting just looking at the dates for
22 the status conferences and making sure they --

23 MR. SOLOMON: Adjusting them as what best fits.

24 HEARING OFFICER RENAUD: -- they -- they -- they are
25 at times when there's likely to be something to talk about?

1 MR. SOLOMON: Yes.

2 HEARING OFFICER RENAUD: Okay. Yes.

3 MR. SOLOMON: Absolutely.

4 HEARING OFFICER RENAUD: Okay.

5 MR. SOLOMON: And with regards to --

6 HEARING OFFICER RENAUD: It makes --

7 MR. SOLOMON: -- the concept --

8 HEARING OFFICER RENAUD: -- makes complete sense.

9 MR. SOLOMON: -- of status conference, I think

10 similar to Rice --

11 HEARING OFFICER RENAUD: Yeah.

12 MR. SOLOMON: -- I think it would be very effective.

13 I think that they would be very good --

14 HEARING OFFICER RENAUD: Uh-huh.

15 MR. SOLOMON: -- to resolve any unresolved issues,

16 and I think that they would give the committee an indication as

17 to what's going on. I'm all in favor of them. They serve a

18 valid purpose. I just -- I would massage the dates, if

19 anything.

20 MS. GALATI: I think that is fine, after the -- after

21 we are able to have a staff assessment workshop. And then

22 try -- and rather than try to schedule a staff assessment

23 workshop now, maybe we can say it's going to take place

24 sometime in that March timeframe. And then shortly thereafter

25 at the end of March, beginning of April we could have a status

1 conference to let the committee know how -- what progress we've
2 made.

3 MR. SOLOMON: I think that would --

4 MS. DECARLO: And if I could just make one request,
5 and that's just that the applicant, if there are issues that
6 are still unresolved in your opinion, that you file something a
7 few days or a week before the status conference so that we can
8 be aware and prepared to -- to fully address it in front of the
9 committee.

10 MS. GALATI: You bet.

11 HEARING OFFICER RENAUD: Good idea.

12 MS. GALATI: And we would have no problem with that
13 being in the order.

14 HEARING OFFICER RENAUD: Very good. All right. Any
15 further discussion of schedule? Questions on this. All right.
16 Okay.

17 I -- I have been reminded that in the Blythe and
18 Palen cases we do have another party who is an intervenor,
19 Californians -- California Unions for Reliable Energy, and who
20 is represented here tonight. And I'd just like to ask if you
21 have any questions, comments that you'd like to make at this
22 point, or you can wait until the public comment period,
23 whichever is better for you.

24 MS. KLEBANER: If I can just make a comment.

25 HEARING OFFICER RENAUD: Thank you.

1 MS. KLEBANER: Thank you very much for giving me the
2 opportunity to comment. CURE, at this time, is evaluating the
3 project. We appreciate the opportunity to participate in the
4 proceeding and thank the application for the presentation and
5 staff for making the information accessible to us and including
6 us into this public process. So thank you.

7 HEARING OFFICER RENAUD: Thank you. You're welcome.
8 All right.

9 I think we're now going to be able to move into our
10 public comment period. Let me make sure I haven't missed
11 anything. All right. Okay. Okay.

12 I have blue cards here. I will call them out in the
13 way they were received. If you have one, please hand it to Jim
14 Davis and he'll get it up here to me. If you haven't filled
15 one out and you'd like to speak, please do so. In the interest
16 of not keeping us here too late and allowing all your neighbors
17 to have a chance to speak, let's try and limit our comments to
18 three minutes.

19 And the first one I have is Lee Haven.

20 UNIDENTIFIED MALE: No. Lee left.

21 HEARING OFFICER RENAUD: He -- he spoke already,
22 didn't he. Right. Okay. Dave Lane; he spoke already too.

23 MR. LANE: Not on this project.

24 HEARING OFFICER RENAUD: Oh. If you'd like to speak
25 again, go ahead.

1 MR. LANE: If I may specifically --

2 HEARING OFFICER RENAUD: Please.

3 MR. LANE: -- on this project. Again, I'm speaking
4 as a city manager, not representing the city council.

5 This -- just as important as the project itself from
6 our perspective is the company behind it and how they plan and
7 purport to be a good community partner. That's important to
8 us. These folks aren't going to drop panels and leave.
9 They're going to be here for the long haul, have employees here
10 for years and years.

11 They've been fostering a relationship with the city
12 for probably close to a year now. They've had regular meetings
13 with city council members, staff, to keep us apprized of what's
14 going on, and we appreciate that -- that contact. They're
15 members of the chamber of commerce. They're present in the
16 community. They're making their presence known in all the --
17 the right ways. In other words, they're acting like a company
18 that wants to be here.

19 This is especially important because they don't need
20 a thing from the city. The project isn't in the city. There
21 are no entitlements coming from the city. They need nothing
22 from us. There's no pay to play. They just want to be a good
23 community partner. And we want you to understand that that's
24 important to us.

25 In addition to all the other things I said before

1 about job creation and job growth and everything, this is just
2 as important. So, again, as the city manager I wholeheartedly
3 endorse this project. Thank you.

4 HEARING OFFICER RENAUD: Thank you. Dan Robinson.

5 MR. ROBINSON: Good evening. My name's Dan Robinson.
6 I'm a farmer here in the Palo Verde Valley. I'm also a board
7 member of the Palo Verde Irrigation District.

8 These are wonderful projects for our valley. I
9 think -- I think it's something that is really needed. But
10 there's a couple of minor problems with their water. They're
11 not -- and they're telling us they're not going to use much
12 water. Well, their idea of not much water and our idea is two
13 different things. They're -- when they go into the
14 construction phase, and they haven't mentioned that at all,
15 they will use great amounts of water on this desert.

16 I was privy to help First Solar on their -- their
17 project up there on the removal of the brush and stuff, and I
18 got -- got to see exactly how much water they do use when going
19 into that construction phase to get their compactions that they
20 need and everything else. And that has not been mentioned.

21 The other thing that hasn't been mentioned, nothing
22 has been done to my knowledge with the Bureau of Reclamation as
23 to a determination of is this Colorado River water or not? If
24 it's -- if it's not in the irrigation district boundaries and
25 it is Colorado River water, if it's determined to be Colorado

1 River water they have no right to it. And as far as I know we
2 haven't received anything that tells us whether that is
3 Colorado River water or not.

4 Can the applicant address that, please?

5 MS. GALATI: Yes. Yes, I'd be happy to. The US
6 Bureau proposed a rule called the accounting surface
7 methodology that you might be familiar with.

8 MR. ROBINSON: Right. We are.

9 MS. GALATI: And that rule was withdrawn and it was
10 not made into law. The project, we don't believe, is -- are
11 using water from the mainstream of the Colorado River. And
12 until a rule is passed that says anything outside a particular
13 zone can use the accounting surface, we don't believe that that
14 is an actual law that applies.

15 But let me tell you what we are doing just in case
16 that rule does become future. We have applied with the
17 Colorado River Board to seek authorization for -- they have a
18 set aside water under, I believe, the Needles agreement --

19 MR. ROBINSON: The Needles project, yes.

20 MS. GALATI: Correct. And we've applied --

21 MR. ROBINSON: But that -- that project --

22 MS. GALATI: -- for some of the --

23 MR. ROBINSON: Excuse me a minute. As far as I
24 understand, that project is for residential.

25 MS. GALATI: We -- we've made an application to them

1 for an allocation of that water, should there ever be a future
2 policy or a future law that came in place and made that
3 accounting surface law.

4 MR. ROBINSON: But as far as I know the -- the
5 Needles project is residential water and you're not
6 residential.

7 MS. GALATI: Yeah. I --

8 MR. ROBINSON: So I -- I mean, your backup plan, if
9 they will allow it, is -- is a very good plan, because that
10 water has not been allocated anywhere else. It's under-
11 subscribed, the amount of water that they -- they have. But
12 the amount of water you're talking about in a construction
13 phase is greatly, greatly more than what you're talking about
14 on an average yearly use.

15 MS. GALATI: Yeah. I do -- I do understand that.
16 But I think one of the things that I need to point out is my
17 understanding, and having lived through the Blythe I and Blythe
18 II projects, is there's only been one well ever regulated under
19 that accounting surface from the bureau.

20 MR. ROBINSON: But the Blythe I and II projects are
21 in the -- in the irrigation district. They have the right to
22 that water.

23 MS. GALATI: They actually don't get accounted to
24 PVID's irrigation district. We had to do a water conservation.

25 MR. ROBINSON: Yes. Yes, they do. Because we

1 are -- we are diversion less return. Okay. And that's -- that
2 is accounted for in our unaccounted return.

3 MS. GALATI: Yeah. I would like to talk to you about
4 that further.

5 MR. ROBINSON: Sure. No.

6 MS. GALATI: Because I can tell you that -- that
7 they're using the groundwater.

8 MR. ROBINSON: I understand. And my point is I don't
9 want to see you get down the road --

10 MS. GALATI: Uh-huh.

11 MR. ROBINSON: -- six months from now and run into
12 this brick wall called the bureau, because they can be that,
13 and -- and -- and not be able to continue with this project. I
14 would like to see this cleared up now with the bureau and --
15 and let this project go on.

16 It's not going to affect our irrigation district at
17 all. We are first priority on the river. We have -- we
18 have -- we are not allocated as to how much water we can use.
19 But there are other users of that Colorado River water that --
20 that -- that might throw a fit over it.

21 MS. GALATI: All right. Yeah.

22 MR. ROBINSON: And -- and if you want, our Manager,
23 Ed Smith, at the irrigation district --

24 MS. GALATI: I know him very well.

25 MR. ROBINSON: Right. I know he's talked to you

1 guys. And we -- we have not -- not come to any real good
2 understanding where this is going.

3 MS. GALATI: Thank you.

4 HEARING OFFICER RENAUD: Thank you very much, sir.
5 Okay.

6 Debbie Hoel of the Blythe Area Chamber of Commerce?
7 I hope I didn't mispronounce that too badly. Are you here,
8 Debbie?

9 UNIDENTIFIED FEMALE: She had to leave.

10 HEARING OFFICER RENAUD: All right. Erin Freeman,
11 chamber of commerce. No? Okay.

12 L.R. Sanders?

13 MR. SANDERS: I just wanted to speak in favor of the
14 project. I don't stand anything to gain on a financial basis.

15 I'm the senior vice president with Grubb and Ellis, a
16 clean energy practice. And through the -- being a member of
17 the Coachella Valley Economic Partnership we've been following
18 this project for upwards of eight months and seeing the benefit
19 that -- which has already been discussed, not only for Blythe,
20 but also the Coachella Valley from an economic driver where
21 residential construction, farming has all dropped off.

22 You can see the location of one of the projects just
23 a few miles from town. And you have to believe that there will
24 be a number of people, not only here in Blythe that would be
25 employed and trained to work there, but also coming from the

1 Coachella Valley. That's all I have to say.

2 HEARING OFFICER RENAUD: Thank you. I'm going to go
3 back to the cards submitted by the -- the two representatives
4 of the chamber of commerce, only because they wrote some
5 comments on here, and I'm going to read those into the record.

6 Debbie Hoel, chamber president, favors the project
7 and writes, "I support Solar Millennium and this project. It
8 will help Blythe and the Palo Verde Valley's economy."

9 Eric Freeman supports the project and writes, "As
10 President-Elect of the Blythe Chamber of Commerce I support the
11 construction of the solar project by Solar Millennium, bringing
12 new jobs to Blythe."

13 Okay. Next speaker, Roger Murphey.

14 MR. MURPHEY: Thank you, commission members, project
15 members. I had a simple question about is -- is there any
16 process or procedure in place regarding what impact the project
17 possibly might have on contiguous or adjoining property owners?
18 And I'll sit down for your response, and thank you for your
19 time.

20 HEARING OFFICER RENAUD: Thank you. I'll ask if Alan
21 or Scott would like to respond to that? It's a pretty broad
22 question, but maybe you can help.

23 MS. GALATI: Yeah. I can tell you that we -- when we
24 prepared our application for certification there -- I'm sorry,
25 I was looking at you to see where you sat -- what we call our

1 AFC. It's a two volume set where we have identified what we
2 believe to be the environmental impacts. So we looked at
3 noise. We looked at light. We looked at visual. We looked at
4 access. We looked at biology, things like that. I'm trying to
5 think of the other things that might -- you might think as
6 impacts to the -- the neighbors. And we submitted that at the
7 Energy Commission. The Energy Commission and BLM and Western
8 in this case is going to do an independent review and -- and
9 check those out.

10 If you do want to show the Energy Commission, I
11 believe, where your property is, I'm sure they would include it
12 in the analysis to see any impacts that the project might have.

13 MR. MURPHEY: Well, I -- I don't know where my
14 property is, as a matter of fact. But I noticed on this map of
15 the project -- is that available on the slide by any chance?

16 MR. SOLOMON: That's not my slide.

17 MR. MURPHEY: This is the Blythe project.

18 MR. SOLOMON: Right. Alice, I think that's on
19 your -- on your slide.

20 MS. GALATI: Alice? We can wait.

21 MS. HARRON: I think that one is on the slide that
22 the diagram is.

23 MR. MURPHEY: It shows the -- the orange boundary
24 which is defined as the right-of-way. And you have a square in
25 the center.

1 MS. HARRON: Yes.

2 MR. MURPHEY: And there's another square here

3 which --

4 MS. HARRON: Right.

5 MR. MURPHEY: -- is not completely surrounded.

6 But --

7 MS. HARRON: Uh-huh.

8 MR. MURPHEY: -- so I guess, is that private property

9 that's involved in this?

10 MS. HARRON: Yes. Yes. And that is something we're

11 discussing. Can I bring it up?

12 MR. MURPHEY: Please.

13 MR. SOLOMON: Let me just say, speaking for --

14 speaking for the project, if your property is within 500 yards

15 you would be -- you should be receiving all of the notices that

16 are being mailed out by the Energy Commission. Have you

17 received any notices?

18 MR. MURPHEY: No. There was notice of the

19 feasibility study conducted by (inaudible). That's the only

20 notice that I'm aware of.

21 MR. SOLOMON: Could you stand at the podium, please.

22 MR. MURPHEY: Sorry. And like I said, I don't know

23 if I have property that's in that immediate area.

24 MR. SOLOMON: Okay.

25 MR. MURPHEY: But my question was for the commission

1 and the project members, but is there a process or procedure
2 involved where there's adjoining contiguous property owners
3 that might be affected in the negative or positive way?

4 MR. SOLOMON: This is my suggestion, if you -- if you
5 have not been receiving the notices that I've been sending out
6 you may not be adjacent. I don't know. My suggestion to you
7 would be to call my office. If you have a handout -- do you
8 have my -- did you get one of the handouts?

9 MR. MURPHEY: Yes, I did.

10 MR. SOLOMON: Okay. You have my contact information
11 on the handout. I can have you added to the mailing list. You
12 can also join -- signup on the list serve.

13 MR. MURPHEY: I am.

14 MR. SOLOMON: This way --

15 MR. MURPHEY: I am, by the way.

16 MR. SOLOMON: This way you'll -- you will ensure that
17 you're getting all information that is related to the project.

18 In addition, if you have specific questions with
19 regards to any issues, any concerns that you may have, send
20 them to me. If it's -- if it's involving -- because of your
21 proximity to the project site, if an issue may be noise, send
22 me your concern. What I will do is I will give it to the
23 technical experts and they will look into your concerns and
24 respond to your concerns. But what I would need -- what I need
25 you to do is be specific. I need you to write what your

1 specific concerns are.

2 Write -- if I may ask, what are some of your specific
3 concerns?

4 MR. MURPHEY: Well, generally speaking, my concern
5 would be if a neighboring property owner might be impacted with
6 his property value or access or use of his property, you know,
7 by the -- by the project itself.

8 MR. SOLOMON: Okay.

9 MR. MURPHEY: And I -- I'm speaking from a general
10 standpoint. I'm not speaking from a specific personal
11 standpoint. So I -- I imagine there must be a procedure or a
12 process involved.

13 MR. SOLOMON: Yeah. There -- there is. Just --

14 MR. DRACKER: There's a totally comprehensive process
15 within the AFC.

16 MS. GALATI: Yeah. There is. First and foremost, we
17 identify an access. Second, we have identified a right-of-way,
18 and we've identified within that right-of-way where we're going
19 to disturb and what we're going to ask the -- the BLM to grant
20 us. If that were to cut off access or cut off trails or
21 something like that, BLM's analysis would point that out. We
22 have not identified that for this project in -- in our work.
23 But BLM and the Energy Commission will certainly look at it.

24 With respect to noise and visual, we -- we
25 actually -- I did want to tell you that we evaluated other

1 property. What we did is we looked for something that we call
2 sensitive receptors. So if there was a house or there was
3 somebody using the property that might be affected we -- we --
4 we looked at that issue.

5 But if the property was vacant and undeveloped
6 probably the most that was looked at was do you have to cross
7 the property, and if we didn't have to cross the property we
8 didn't look further. If there was water we made sure that that
9 water was designed in a way such that it would affect offsite,
10 outside our property boundary. Those kinds of things are
11 probably the farthest that we've looked at. And we certainly
12 have not looked at property values.

13 MR. MURPHEY: Okay. Well, I would think that would
14 be somewhat of an important consideration if you are a
15 contiguous or a neighboring. And I think you mentioned a
16 radius here. Was there a radius that -- effected property.
17 There's a -- so some --

18 MR. SOLOMON: Yes. Five hundred -- five hundred
19 feet.

20 MR. MURPHEY: Five hundred feet.

21 MR. SOLOMON: Property within 500 feet of the
22 project -- I'm sorry, 1,000 feet of the project, 500 feet of
23 the linears --

24 MR. MURPHEY: All right.

25 MR. SOLOMON: -- would be put on our mailing list.

1 MR. MURPHEY: Okay. Again, thank you for your time.
2 Thank -- thank you again.

3 HEARING OFFICER RENAUD: Thank you. Okay. Jim
4 Shipley?

5 MR. SHIPLEY: Good evening. I'll be brief. Jim
6 Shipley. I'm chief operating office of the Blythe Area Chamber
7 of Commerce. And I come to you this evening to, first of all,
8 mention Solar Millennium.

9 As the city manager mentioned, they have become good
10 neighbors in our community. They've taken the time to speak to
11 various officials in the community. They are chamber members
12 now, which we greatly appreciate. They're very helpful
13 explaining their project around town and to myself.

14 These projects will provide definite economic impact
15 to our community. Like any other community in California and
16 across the United States we're in dire need of jobs. Our
17 stores need to be shopped at. And these projects are going to
18 help us immensely. Thank you.

19 HEARING OFFICER RENAUD: Thank you. Sam Patel.

20 MR. PATEL: Sam Patel, 850 West Hobsonway. I'm a
21 business owner in town, and also a member of city council. On
22 behalf of myself, I'm speaking.

23 Due to water transfer deal from Blythe to Los Angeles
24 lots of local business are suffered income-wise, and generally
25 community, also. So this project, we support it. Bring new

1 job in town, some permanent job.

2 Beside that we have lots of other issue. We -- this
3 is green energy, which is very important. Also, we don't have
4 to import oil from unstable government, and that's important,
5 also.

6 So I can fully support this project. Thank you.

7 HEARING OFFICER RENAUD: Thank you. Angie Patel, I
8 believe this is. Yes.

9 MS. PATEL: Angie Patel, 825 West Hobsonway, Best
10 Western Sahara. I -- and I'm also representing all the hotels
11 in the area, Blythe area.

12 I would like to thank you and welcome you in this
13 valued community on behalf of all our businesses. Because I
14 know the first solar, they were here for three months. They
15 had a big impact on our businesses and our community. So we
16 all welcome you here and hopefully overcome all the hindrances
17 of any issues that you have. And we -- we welcome you and we
18 would really like you to come to our community. I'm glad at
19 that at least Blythe -- somebody thought of Blythe, because we
20 never expect any big industry to come here. So we really
21 welcome you all. Thank you.

22 HEARING OFFICER RENAUD: Thank you. And my last card
23 is from Mayor Joey -- I'm sure I'm going to mispronounce
24 this -- DeConinck.

25 MR. DECONINCK: Yes, sir.

1 HEARING OFFICER RENAUD: Okay.

2 MR. DECONINCK: Yes. My name is Joey DeConinck, I am
3 the mayor, and I'd like to welcome you here. I'm sorry I'm
4 running late. I was at another meeting in Coachella and
5 finished up, and surprised to see it was still going, so
6 stopped in.

7 I think this is a great project from what I reviewed
8 with Solar Millennium and what -- the going green. I'd just
9 like -- Jim Shipley, you mentioned about the economy.
10 Everything about it is great. We need something. And this is
11 one of the best things. I think Blythe will eventually be the
12 solar capitol of the world. So I think it's a great project.
13 And you can see tonight how many people are here. And it's a
14 great deal. And again, I welcome you to Blythe and appreciate
15 it. Thank you.

16 HEARING OFFICER RENAUD: Thank you. All right. I'm
17 out of cards. Is there anyone else who would wish to speak
18 before we start the closing of the meeting proceedings?

19 MR. ROBINSON: One more question.

20 HEARING OFFICER RENAUD: All right.

21 MR. ROBINSON: Again, I'm Dan Robinson. I'm a local
22 farmer. And I farm up in the north end up there. And I notice
23 you have -- you're going to be doing quite a bit of land
24 leveling and diverting some water flows.

25 And I just want to make the comment, I hope for your

1 sake that we don't put any more water into McCoy Wash up there,
2 which is already a problem. I'm on the NRCS board here, too,
3 and we're working to try to control that -- that flow into the
4 valley. And we -- if -- if you change the flows and put more
5 water in there we're going to have some big problems up in that
6 wash. Thank you.

7 HEARING OFFICER RENAUD: Thank you. All right. Let
8 me ask our commissioners if you care to say any closing remarks
9 before we adjourn. Anybody?

10 COMMISSIONER WEISENMILLER: I'd like to thank
11 everyone for their participation tonight. We've had a long
12 meeting, a long day, I'm sure, it's been. But, again, I'd like
13 to thank everyone who was on the site visit and everyone who's
14 attended tonight and given us comments.

15 CHAIR DOUGLAS: I'd like to join Commissioner
16 Weisenmiller in -- in thanking everyone, the applicant, the
17 staff, and especially the public for being here tonight, and
18 for bearing with us until about 9:00 in the evening. It's --
19 it's been very valuable for us to hear from you, and even if
20 you didn't speak to see you here and see your interest. So
21 thank you.

22 HEARING OFFICER RENAUD: Thank you. With that we'll
23 adjourn the meeting. Thanks for coming.

24 PROCEEDINGS CONCLUDE AT 8:50 P.M.

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TRANSCRIBER'S CERTIFICATE

I, Martha L. Nelson, attest that the foregoing proceedings provided to me via cassette tape were transcribed to the best of my ability.

I further certify that I am not a relative or employee of any attorney of the parties, nor financially interested in the action.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated this 5th day of February, 2010.

 /s/ Martha L. Nelson